STAND. COM. REP. NO. 2359

Honolulu, Hawaii

FEB 1 4 2014

RE: S.B. No. 2539

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committees on Human Services and Economic Development, Government Operations and Housing, to which was referred S.B. No. 2539 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the Hawaii Community Development Authority to sell or assign fee simple interest in certain Kakaako Community Development District lands with respect to reserved housing, without legislative approval, under certain conditions, and to fee simple interest to eligible owners.

Your Committees received testimony in support of this measure from Kakaako United, Community Alliance for Mental Health, and one individual. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs and two individuals. Your Committees received comments on this measure from the Hawaii Community Development Authority.

Your Committees find that one part of a larger solution to affordable housing is allowing the Hawaii Community Development Authority to sell reserved housing without legislative approval and in fee simple under certain conditions. The intent of this measure is to allow expeditious turnaround by the Authority of reserved housing and to ensure that housing remains affordable for low-income or reserved housing income levels. Your Committees

2014-1238 SSCR SMA.doc

heard testimony expressing concern about the buy-back terms and the provision that requires the reserved housing to remain affordable in perpetuity. Your Committees believe that the buyback period should be ten years instead of five years, and that this measure deserves additional exploration.

Your Committees have amended this measure by:

- Adding language with respect to reserved housing that (1) references the Hawaii Community Development Authority to more accurately reflect the title of the measure;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Economic Development, Government Operations and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2539, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2539, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committees on Human Services and Economic Development, Government Operations and Housing,

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral: Date:							
SB 2539	HMS/EGH, WAM 2-6-14							
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
CHUN OAKLAND, Suzanne (C)		~						
GREEN, Josh (VC)					V			
KIDANI, Michelle N.								
TANIGUCHI, Brian T.					V			
SLOM, Sam								
· · · · · · · · · · · · · · · · · · ·								
	-							
			·					
			·					
TOTAL		3			2			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Thible of Adam:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

^{*}Only one measure per Record of Votes

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Economic Development, Government Operations and Housing EGH

Bill / Resolution No.:*	Committee Referral: Date:						
SB2539 HMS EGH, WAM 2/6/14							
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members		Aye	Aye (WR)	Nay	Excused		
DELA CRUZ, Donovan M. (C)		X					
SLOM, Sam (VC)		X					
BAKER, Rosalyn H.					X		
CHUN OAKLAND, Suzanne		X			0		
ENGLISH, J. Kalani					X		
THIELEN, Laura H.		<u> </u>					
WAKAI, Glenn					$\perp X$		
					-		
					1		
· · · · · · · · · · · · · · · · · · ·		<u></u>					
					1 1		
тотац		21	0	0	3		
Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes